

Before the  
**Federal Communications Commission**  
 Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of

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Federal-State Joint Board on

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Universal Service

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CC Docket No. 96-45

### COMMENTS OF BELL ATLANTIC<sup>1</sup> TO PETITIONS FOR RECONSIDERATION

Bell Atlantic takes this opportunity to address two points made in the petitions for reconsideration of the Commission's Reconsideration Order.<sup>2</sup> First, contracts with schools and libraries should not be exempt from reimbursement just because they expire after December 31, 1998. Second, the Commission should reiterate that all telecommunications providers to others for a fee must support universal service.

All contracts with schools and libraries that were signed after November 8, 1996 should be eligible for universal service support. The Commission should grant the requests of EDLINC, Newport News, and US West to modify the provision<sup>3</sup> which makes services provided under

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<sup>1</sup> The Bell Atlantic telephone companies ("Bell Atlantic") are Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic-Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, D.C., Inc.; Bell Atlantic-West Virginia, Inc.; New York Telephone Company; and New England Telephone and Telegraph Company.

<sup>2</sup> *Order on Reconsideration*, FCC 97-246 (rel. July 10, 1997) ("Reconsideration Order").

<sup>3</sup> *Id.* at ¶¶ 8-10 and App. A, § 54.500(a)(2)(ii).

contracts signed after November 8, 1996, but which expire after December 31, 1998, ineligible for such support.<sup>4</sup> As the petitioners point out, this change would make ineligible for reimbursement a number of contracts that were negotiated in good faith after November, but which have termination dates subsequent to December 31, 1998. This limitation would work to the detriment of the schools and libraries. Carriers generally offer lower pre-discount prices for longer-term service commitments. They are willing to finance projects involving special construction and other customized activity over the term of a multi-year contract, thus saving the schools and libraries from the need to fund the up-front costs. As a result, the Commission should encourage longer-term contracts in order to give schools and libraries greater savings and access to services which meet their particular needs. The present limitation, which works to discourage such agreements, is inconsistent with that policy and should be deleted.<sup>5</sup>

The Commission should not modify its requirement that a broad cross-section of providers must contribute to maintaining universal service.<sup>6</sup> The Commission has distinguished between video providers that offer service to the public on a common carrier basis and other video service providers.<sup>7</sup> As a result, to the extent that Multipoint Distribution Service and

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<sup>4</sup> Petition for Clarification and Reconsideration of the Education and Library Networks Coalition ("EDLINC") (filed Aug. 19, 1997); School Board of the City of Newport News, Virginia, Petition for Reconsideration ("Newport News") (filed Sept. 2, 1997); Petition for Reconsideration of U S WEST, Inc. ("US West") (filed Aug. 29, 1997).

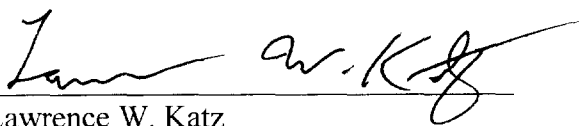
<sup>5</sup> The provision in question would make more than 350 contracts between Bell Atlantic and various schools and libraries ineligible for universal service support.

<sup>6</sup> *See Report and Order*, FCC 97-157, ¶ 795 (rel. May 8, 1997) ("Order").

<sup>7</sup> *Id.* at ¶ 781.

Instructional Television Fixed Service licensees are offering "telecommunications services" on a common carrier basis, they are required to support universal service.<sup>8</sup> Those services compete directly with video channel services, providers of which the Commission has found must contribute.<sup>9</sup> Similarly, nothing in the Order exempts entities from contributing solely because they are nonprofit corporations. Therefore, the Commission should find that an entity that provides telecommunications to others for a fee, such as data services using the vertical blanking interval in a television picture, is not exempt from contributing just because it is a non-profit organization.<sup>10</sup>

Respectfully Submitted,



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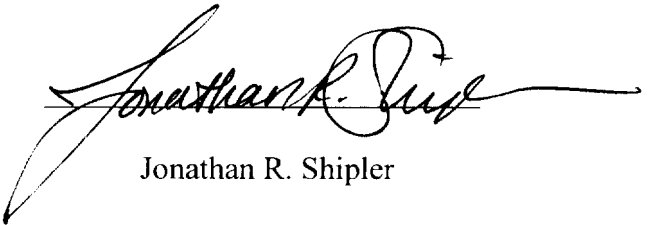
<sup>8</sup> *See* letter dated Aug. 29, 1997 to William F. Caton, Acting Secretary, from Paul L. Sinderbrand, Counsel for the Wireless Cable Association International, Inc.

<sup>9</sup> Order at ¶ 781.

<sup>10</sup> *See* Public Broadcasting Service and the Association of America's Public Television Stations, Petition for Clarification and Exception or Waiver (filed Sept. 3, 1997). Similarly colleges, schools and libraries that provide telecommunications to others for a fee are not exempt from paying such contributions. *See* letter dated Sept. 2, 1997 to Chairman Reed E. Hundt from Carol Henderson, Executive Director, American Library Association Washington Office.

CERTIFICATE OF SERVICE

I hereby certify that on this 2<sup>nd</sup> day of October, 1997, a copy of the foregoing "Comments of Bell Atlantic to Petitions for Reconsideration" was served by first class U.S. mail, postage prepaid, on the parties listed on the attached service list.



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